DOCUMENT RESUME

ED 285 949 UD 025 743

TITLE	Food Stamp Program: Trends in Program Applications, Participation, and Denials. GAO Briefing Report to the Honorable Leon E. Panetta, House of Representatives.
INSTITUTION	General Accounting Office, Washington, D.C.
REPORT NO	GAO/RCED-87-80BR
PUB DATE	Apr 87
CONTRACT	B-217883
NOTE	28p.
AVAILABLE FROM	U.S. General Accounting Office, PO Box 6015, Gaithersburg, MD 20877 (1-5 copies, free; over 5, $2.00 ea.; discounts on larger quantities).
PUB TYPE	Legal/Legislative/Regulatory Materials (090) -- Reports - Research/Technical (143)
EDRS PRICE	MF01/PC02 Plus Postage.
DESCRIPTORS	Delivery Systems; Eligibility; *Federal Programs; Federal State Relationship; *Poverty Programs; *Welfare Recipients; Welfare Services
IDENTIFIERS	*Food Stamp Program

ABSTRACT

This briefing report provides information on recent trends in: (1) the number of households applying for food stamp benefits; (2) the number of households participating in the Food Stamp Program; and (3) the percentage of households whose food stamps were improperly denied or terminated. The data were reported by the 50 U.S. states, the District of Columbia, Guam, and the U.S. Virgin Islands to the Department of Agriculture's Food and Nutrition Service. Section 1 of the report describes the study background and objectives; section 2 presents statistics and analysis. Major findings, based on data available as of February 23, 1987, include the following: (1) the number of households applying for food stamps, nationwide, declined from about 16.8 million in fiscal year 1983 to about 6 million in fiscal 1985--a decline of about 25 percent. The percentage of applications approved and denied remained relatively constant at about 80 and 20 percent, respectively. (2) The total estimated number of households participating in the program nationwide declined from about 13.7 million in 1983 to about 12.8 million in 1985--a 7 percent decline. Participation increased in 11 states, while 42 states experienced declines. (3) The percentage of cases in which households' benefits were reported by the states as improperly denied or terminated declined from 1980 through 1985. State-by-state, improper denials or termination over this period ranged from zero in Delaware to over 11 percent in Washington State (1984 and 1985) and the District of Columbia (1981). Data are presented in the text and in tabular form. Appendices include comments about this report from the Department of Agriculture and General Accounting Office and a list of major contributors to this report. (KH)

9/19/87 GD

United States General Accounting Office

GAO

Briefing Report to the Honorable
Leon E. Panetta
House of Representatives

April 1987

ED285949

FOOD STAMP PROGRAM

Trends in Program Applications, Participation, and Denials

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Resources, Community, and
Economic Development Division

B-217883

April 2, 1987

The Honorable Leon E. Panetta
Chairman, Subcommittee on Domestic
Marketing, Consumer Relations,
and Nutrition
Committee on Agriculture
House of Representatives

Dear Mr. Chairman:

As requested in your January 28, 1986, letter, and in subsequent discussions with your office, this briefing report provides the latest available information on the trends in the (1) number of households applying for and subsequently approved for or denied food stamp benefits, (2) number of households participating in the Food Stamp Program, and (3) percentage of households whose food stamps were improperly denied or terminated. We also attempted to estimate the number of households that were terminated from the Food Stamp Program, but we were unable to develop meaningful estimates because neither the Food and Nutrition Service nor the states report reliable data on these actions.

This report is the second product issued as part of an overall review of food stamp denials and terminations.[1] Our overall review is still ongoing at the Department of Agriculture's Food and Nutrition Service and selected states, and, at a later date, we anticipate reporting on the accuracy of data that the states report on the extent of improper denials and terminations and the reasons why food stamps are being denied or terminated.

The Food Stamp Program is designed to help low-income households obtain more nutritious diets. The states are required to determine (1) whether applicants are eligible for the program and, if so, issue them the appropriate amount of food stamps and (2) whether participants whose circumstances change continue to be eligible, and, if not, terminate them

[1]The first report was entitled Food Stamp Program: Restoration of Improperly Denied or Terminated Benefits (GAO/RCED-87-51, Oct. 30, 1986).

from the program.[2] States report to the Service on the number of households applying for, approved for, or denied benefits, as well as those participating in the program. States do not report separate statistics on the number of households terminated from the program but include these households in their report on the number of negative actions (denials plus terminations) taken during the year.

To determine the validity of states' decisions to deny or terminate benefits, states are required to conduct quality control reviews of cases involving such negative actions. Cases where households were incorrectly denied entry into the program or improperly terminated from it are to be reported by the states to the Service as errors.

The Service does not routinely validate the accuracy of the state-reported data on improper denials and terminations, nor does it verify that states are properly reporting on the number of households applying for and receiving benefits or those denied benefits. Service officials cautioned that because of variations in the states' reporting periods (differences in the start of the fiscal year) and possible inconsistencies in states' definitions of what constitutes an application, or denial, these data may only approximate the actual program trends.

According to the data states reported to the Service:

-- the number of households applying for food stamps, nationwide, declined from about 16.8 million to about 12.6 million from fiscal years 1983 through 1985--a decline of about 25 percent. Applications for about 13.7 million households were approved to receive benefits in fiscal year 1983 compared with about 10.0 million in fiscal year 1985. About 3.1 million households' applications to receive benefits were denied in fiscal year 1983 compared with about 2.6 million in fiscal year 1985. However, the percentage of applications approved and denied remained relatively constant at about 80 and 20 percent, respectively, during this period.

-- the total estimated number of households participating in the program, nationwide, declined

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[2]For this report, the term "states" includes the 50 U.S. states and the District of Columbia, Guam and the U.S. Virgin Islands.

from about 13.7 million households in fiscal year 1983 to about 12.8 million in fiscal year 1985--a decrease of about 7 percent. On a state-by-state basis, participation increased in 11 states, while 42 states experienced declines, 29 of which were in excess of the 7-percent national percentage decrease.

-- the percentage of cases, nationwide, in which households' benefits were reported by the states as improperly denied or terminated declined from fiscal years 1980 through 1985 (about 4 percent in fiscal year 1980 compared with about 3 percent in fiscal year 1985).

Section 2 of this report provides more detailed information on the number of households applying for and participating in the program, those denied benefits, and errors states reported in denying or terminating benefits.

Information in this report was obtained from the Department of Agriculture's Food and Nutrition Service headquarters in Alexandria, Virginia. Data were available, nationwide and by state. for fiscal years 1983 through 1985 on the number of households whose applications were approved and denied, and the number of households participating in the program. Because the Service gathers data on the number of households receiving food stamps at certain times in the fiscal year, but not on the total number of households that receive food stamps during the year, we estimated total annual Food Stamp Program participation for fiscal years 1983 through 1985 by multiplying the annual average number of participating households by the Service's estimated rate of turnover in the program. Data on the percentage of food stamp cases in which households' benefits were improperly denied or terminated were available, nationwide and by state, for fiscal years 1980 through 1985.

The information in this report is based on the most recent data available from the Service as of February 23, 1987. We analyzed these data to determine the program trends, but we did not test the validity or reliability of this information nor do we draw any conclusions based on these data.

We obtained official written comments from the Department of Agriculture on the results of our work. The Department commented that the draft report generally presented an objective description of the subject material. However, the Department expressed concern with our estimates of the number of households terminated from food stamp participation and

the total number of households receiving benefits annually. In our draft, we reported estimates of the number of households terminated from the Food Stamp Program annually based on data maintained by the Department. We have deleted these estimates from our final report because of concerns the Department raised about the quality of its data. Accordingly, the only data on terminations included in the final report are on improper denials and terminations as reported by the states.

Using data that states report to the Service on monthly program participation and the Service's estimate of program turnover, we estimated the total number of households participating in the program annually. As the Department suggested, our report identifies these numbers as GAO estimates. Department officials agreed with the logic of our methodology for developing these estimates. Other Department comments have been incorporated where appropriate. (See app. I.)

As arranged with your office, unless you publicly announce its contents earlier, we will make no further distribution of the report until 30 days from the date of this letter. At that time, we will send copies to the Chairman, Senate Committee on Agriculture, Nutrition, and Forestry; the Secretary of Agriculture; the Director, Office of Management and Budget; and other interested parties. Should you have questions regarding information contained in this report, please contact me at (202) 275-5138 or Mr. John Harman of my staff at (202) 475-4880.

Major contributors to this briefing report are listed in appendix II.

Sincerely yours,

Brian P. Crowley

Brian P. Crowley
Senior Associate Director

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ABBREVIATIONS

GAO	General Accounting Office
RCED	Resources, Community, and Economic Development Division
USDA	U.S. Department of Agriculture

SECTION 1

INTRODUCTION

BACKGROUND

The Food Stamp Program is designed to help low-income households obtain more nutritious diets. Eligible applicants receive coupons to buy food through normal market channels, primarily retail grocery stores. The Department of Agriculture's Food and Nutrition Service is responsible for administering and supervising the Food Stamp Program. States are responsible for local administration and day-to-day operation of the program.[1]

The states are required to determine whether applicants are eligible for the program and, if so, issue them the appropriate amount of benefits. Applicants found ineligible are to be denied food stamps, and participants whose circumstances change, thereby making them ineligible, are to be terminated from the program. States report to the Service on the number of households applying for food stamps, those approved for or denied benefits, and those participating in the program.

The states are also required to conduct quality control reviews of cases involving negative actions (decisions to deny or terminate benefits) to determine the validity of these actions. Cases involving households that were incorrectly denied entry into the program or improperly terminated from it are to be reported by the states to the Service as errors. The Service does not routinely validate the accuracy of the data states report on improper denials or terminations,[2] nor does it verify the number of households applying for or receiving benefits, or those denied benefits.

Program regulations describe applications as occurring when a household requests food coupons and signs the application document. If the application is approved, the household may be certified to participate in the program generally for up to a 12-month period.

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[1]For this report the term "states" includes the 50 U.S. states and the District of Columbia, Guam, and the U.S. Virgin Islands.

[2]The Service validates the reported rate of improper denials and terminations only if a state may be eligible to receive enhanced funding to administer the program. To receive enhanced funding, states are required to have improper denial/termination case error rates below the national average and combined overpayments and underpayments of benefits rates not exceeding a legislatively established target rate.

At the end of a certification period, households must reapply for benefits. Reapplications are included in the number of total applications states report to the Service. Although the regulations define as negative actions the decision to deny or terminate a household's benefits, when reporting the number of negative actions to the Service, states do not distinguish whether the action was a denial or termination. A denial applies to cases in which a request for food coupons is rejected because a state's food stamp office determines that an applicant does not meet the eligibility requirements. A termination applies to cases in which a household's eligibility to receive food stamps is terminated before the end of the certification period. Households whose certification periods expire are not considered terminated from the program. A termination can be initiated by the household informing the food stamp office of a change in its eligibility status or by an action taken by the state or local food stamp office.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our objectives were to provide the most recent available information on the trends in

- -- the number of households applying for and subsequently approved for or denied food stamp benefits,
- -- the number of households participating in the Food Stamp Program,
- -- the number of households whose benefits were terminated, and,
- -- the percentages of cases involving households whose benefits were improperly denied or terminated.

To address the objectives, we analyzed data the states reported to the Service on the (1) number of applications for food stamps approved and denied, (2) number of households participating in the Food Stamp Program, (3) total number of negative actions that the states took to deny or terminate households' benefits, and (4) percentage of cases involving households whose benefits were improperly denied or terminated. Because it was not within the scope of this assignment, we did not attempt to draw conclusions based on the data or trends in this report. We also did not test the validity or reliability of the Service's data.

Information in this report was obtained from the Department of Agriculture's Food and Nutrition Service headquarters in Alexandria, Virginia. Data on the number of applications approved and denied were available, nationwide and by state, for fiscal years 1983 through 1985. Data on the average number of households participating in the program at certain times in the year were available, nationwide and by state, for fiscal years 1983 through

1985. Using the Service's estimate of Food Stamp Program turnover, we adjusted the Service's participation data to develop an estimate of the total number of households receiving benefits each year. We attempted to develop estimates of the number of households terminated from the Food Stamp Program annually. However, we deleted these estimates from this report because of concerns the Department raised about the quality of its data. Data on the percentage of cases involving households whose benefits were improperly denied or terminated were available, nationwide and by state, for fiscal years 1980 through 1985.

Service officials cautioned that because of (1) variations in the states' reporting periods (differences in the start of the fiscal year), (2) possible inconsistencies in the states' definitions of what constitutes an application or denial, and (3) states' possible inaccurate measures of program activity, these data may only be an approximation of actual program trends. The information in this report is based on the most recent data available from the Service as of February 23, 1987.

SECTION 2

TRENDS IN HOUSEHOLDS APPLYING FOR, PARTICIPATING IN, AND DENIED ENTRY INTO THE FOOD STAMP PROGRAM

SECTION SUMMARY

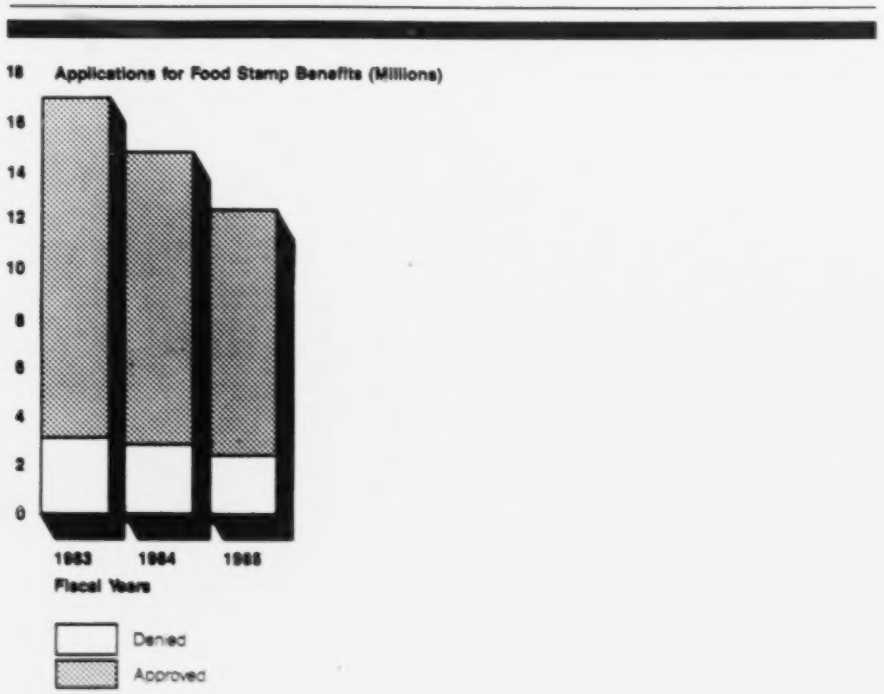
According to the data states reported to the Service:

- The number of households applying for food stamps nationwide declined from about 16.8 million in fiscal year 1983 to about 12.6 million in fiscal year 1985--a decline of about 25 percent. During that period the number of households approved correspondingly declined from about 13.7 million to about 10.0 million. The number of households whose applications were denied declined from about 3.1 million in fiscal year 1983 to about 2.6 million in fiscal year 1985. The percentage of applications approved and denied remained relatively constant at about 80 and 20 percent, respectively.

- The total estimated number of households participating in the program nationwide declined from about 13.7 million in fiscal year 1983 to about 12.8 million in fiscal year 1985--a decline of about 7 percent. On a state-by-state basis, participation increased in 11 states, while 42 states experienced declines, 29 of which were in excess of the national percentage decrease.

- The percentage of cases, nationwide, in which households' benefits were reported by the states as improperly denied or terminated declined from fiscal years 1980 through 1985 (about 4 percent in fiscal year 1980 compared with about 3 percent in fiscal year 1985). On a state-by-state basis, improper denials or terminations of benefits over this 6-year period ranged from 0 (Delaware and Kansas) to over 11 percent (Washington and the District of Columbia), although in fiscal year 1985, most states'(42) improper denials or terminations were 4 percent or less.

Figure 2.1 Households' Applications for Food Stamps Approved and Denied, Nationwide, Fiscal Years 1983 Through 1985



Source: Food and Nutrition Service, USDA

HOUSEHOLD WHOSE APPLICATIONS FOR FOOD STAMP BENEFITS WERE APPROVED AND DENIED, NATIONWIDE

The number of households applying for food stamps, nationwide, has been declining since fiscal year 1983. States reported that about 16.8 million applications were submitted to their food stamp offices in fiscal year 1983, compared with about 12.6 million applications submitted in fiscal year 1985. About 13.7 million applications were approved in fiscal year 1983, while about 10.0 million were approved in fiscal year 1985. About 3.1 million applications were denied in fiscal year 1983, compared with about 2.6 million in fiscal year 1985. However, the percentages of applications approved and denied have remained relatively constant at about 80 percent and 20 percent, respectively, for this period.

Service officials attributed the decline in applications to, among other things, improvements in the economy and changes to Food Stamp Program procedures. These procedural changes generally increased the length of certification periods, thereby reducing the frequency that households need to reapply for benefits.

Table 2.1: Percentage of Households' Applications for Food Stamp Benefits Denied by State, Fiscal Years 1983 Through 1985

STATE	FY 1983	FY 1984	FY 1985
U.S. TOTALS	19	20	20
Alabama	15	15	17
Alaska	18	24	33
Arizona	22	24	30
Arkansas	16	19	19
California	25	27	29
Colorado	21	15	14
Connecticut	21	22	21
Delaware	12	8	8
District of Columbia	16	7	19
Florida	13	17	24
Georgia	20	30	9
Guam	33	24	4
Hawaii	26	27	26
Idaho	10	10	13
Illinois	24	24	24
Indiana	10	10	10
Iowa	26	27	34
Kansas	16	18	20
Kentucky	20	23	22
Louisiana	28	29	30
Maine	17	12	14
Maryland	29	34	32
Massachusetts	27	29	28
Michigan	12	15	27
Minnesota	17	17	16
Mississippi	14	16	18
Missouri	10	12	14
Montana	5	6	6
Nebraska	8	9	11
Nevada	18	23	28
New Hampshire	26	30	32
New Jersey	14	14	14
New Mexico	9	12	14
New York	21	28	26
North Carolina	16	17	29
North Dakota	12	16	10
Ohio	11	10	9
Oklahoma	12	13	15
Oregon	35	23	19
Pennsylvania	23	22	25
Rhode Island	29	36	25
South Carolina	7	15	14
South Dakota	10	13	14
Tennessee	36	28	28
Texas	33	32	36
Utah	26	26	26
Vermont	20	18	18
Virgin Islands	21	39	4
Virginia	21	24	25
Washington	42	47	46
West Virginia	15	15	19
Wisconsin	5	5	5
Wyoming	N/A	5	11

Source: Food and Nutrition Service, USDA.

N/A: Not available.

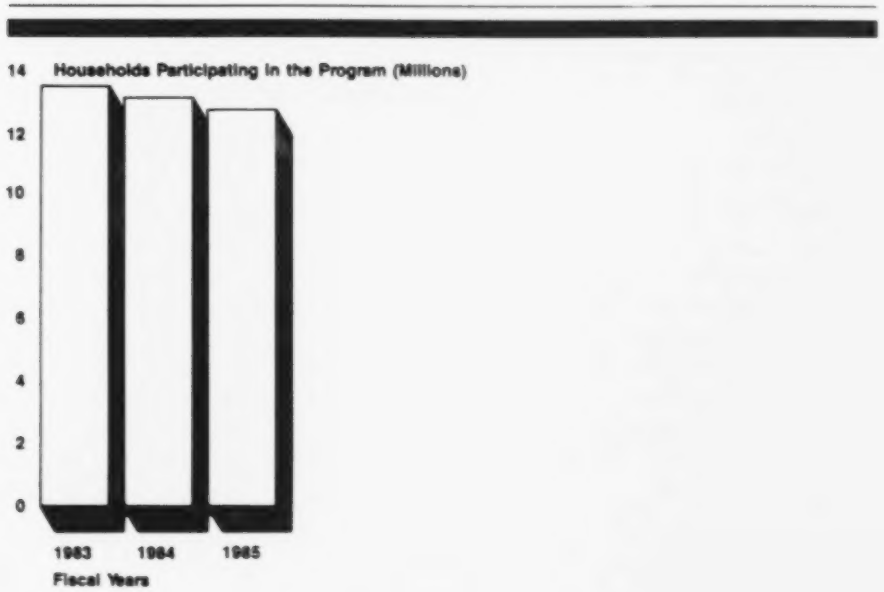
PERCENTAGE OF HOUSEHOLDS WHOSE APPLICATIONS FOR FOOD STAMP BENEFITS WERE DENIED, BY STATE

Nationwide, the average percentage of households whose applications were denied was relatively constant at about 20 percent from fiscal years 1983 through 1985. However, there were sizable variations in that percentage from state to state. For example, in fiscal year 1985, nine states denied 10 percent or less of the households applying for food stamps, while eight states denied applications of 30 percent or more households.

From fiscal year 1983 to 1985, for 37 states the percentage of households whose food stamp applications were denied remained relatively stable (5 percentage points or less change). During that period, eight states showed increases in the percentage of applications denied (more than 5 percentage points increase), and seven states showed decreases in the percentage of applications denied (more than 5 percentage points decrease). One state did not report the data needed for us to make this analysis.

Service officials could not explain what caused some states to increase or decrease their percentage of denied applications.

Figure 2.2: Households Participating in the Food Stamp Program, Nationwide, Fiscal Years 1983 Through 1985



Source: GAO calculations based on Food and Nutrition Service data.

HOUSEHOLDS PARTICIPATING IN THE FOOD STAMP PROGRAM, NATIONWIDE

The total number of households participating in the Food Stamp Program nationwide declined about 7 percent from fiscal years 1983 through 1985. We estimated that about 13.7 million households participated in the program in fiscal year 1983, about 13.2 million in fiscal year 1984, and about 12.8 million in fiscal year 1985.

According to Service officials, during any fiscal year, the number of participating households fluctuates depending on the number of households entering or leaving the Food Stamp Program. In this report, we estimated total annual participation in the program by multiplying the state-reported fiscal year average number of households participating in the program by the Service's estimated rate of turnover in food stamp participation. According to the state-reported data and without adjusting for turnover, on the average, 7.9 million households received food stamps in fiscal year 1983, about 7.6 million in 1984, and 7.3 million in 1985. Based on 1979 data, the Service estimated that because of turnover, total annual participation was about 1.74 times as large as average annual participation.[1] The officials said that they have not updated this estimate.

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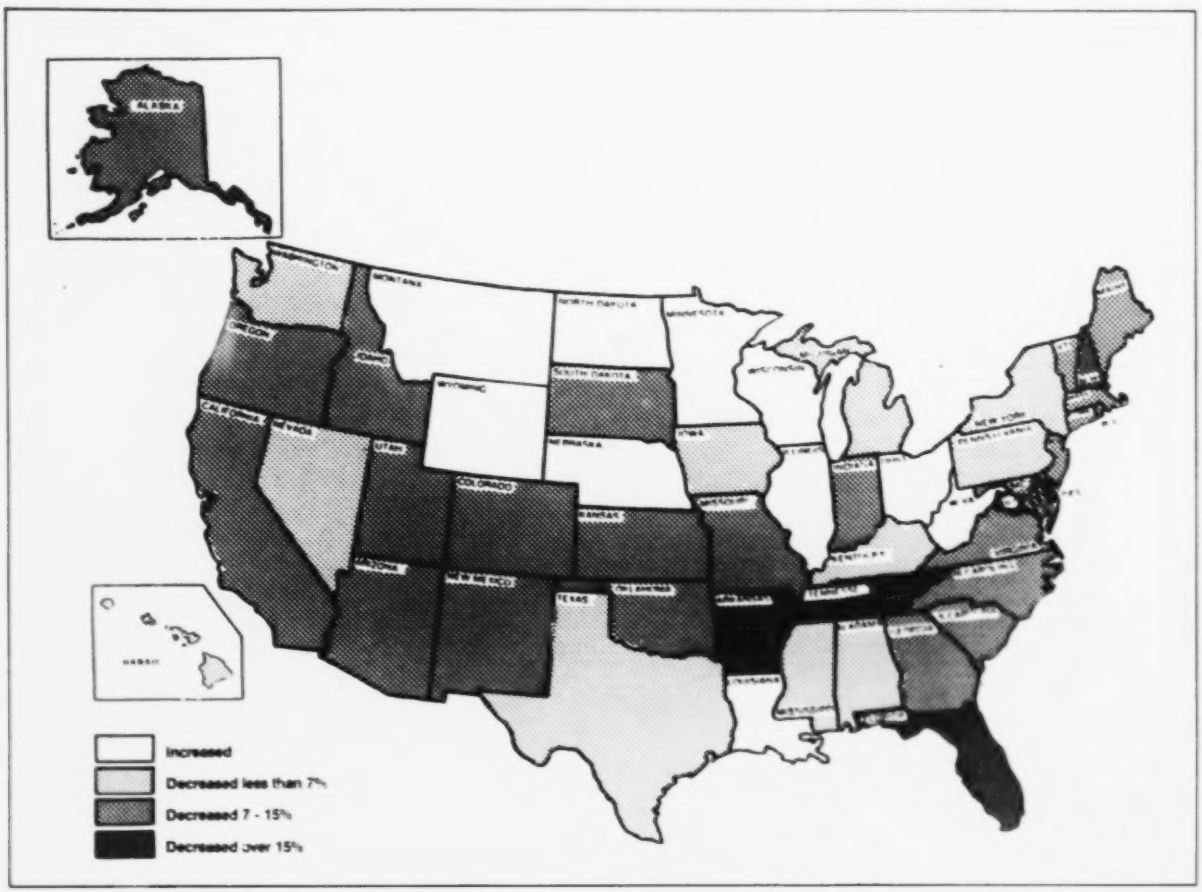
[1]Food Stamp Research: Results from the Income Survey Development Program and the Promise of the Survey on Income and Program Participation, USDA, Food and Nutrition Service, March 1986.

Figure 2.3: Changes in Food Stamp Program Participation Levels Between Fiscal Years 1983 and 1985



Source: GAO calculations of Food and Nutrition Service data, USDA

HOUSEHOLDS PARTICIPATING IN THE FOOD STAMP PROGRAM, BY STATE

From fiscal year 1983 to 1985, most states reported noticeable changes in the Food Stamp Program participation levels (See figure 2.3). For example, 11 states experienced increases in participation, while 42 states experienced declines, 29 of which were in excess of the national percentage decline of 7 percent (See table 2.2.).

States experiencing increases in food stamp participation generally were located in the central portions of the country, while those experiencing the largest declines generally were in the Northeast and Southeast. On the whole, about half of the states (23) experienced a 7- to 15-percent decline in food stamp participation.

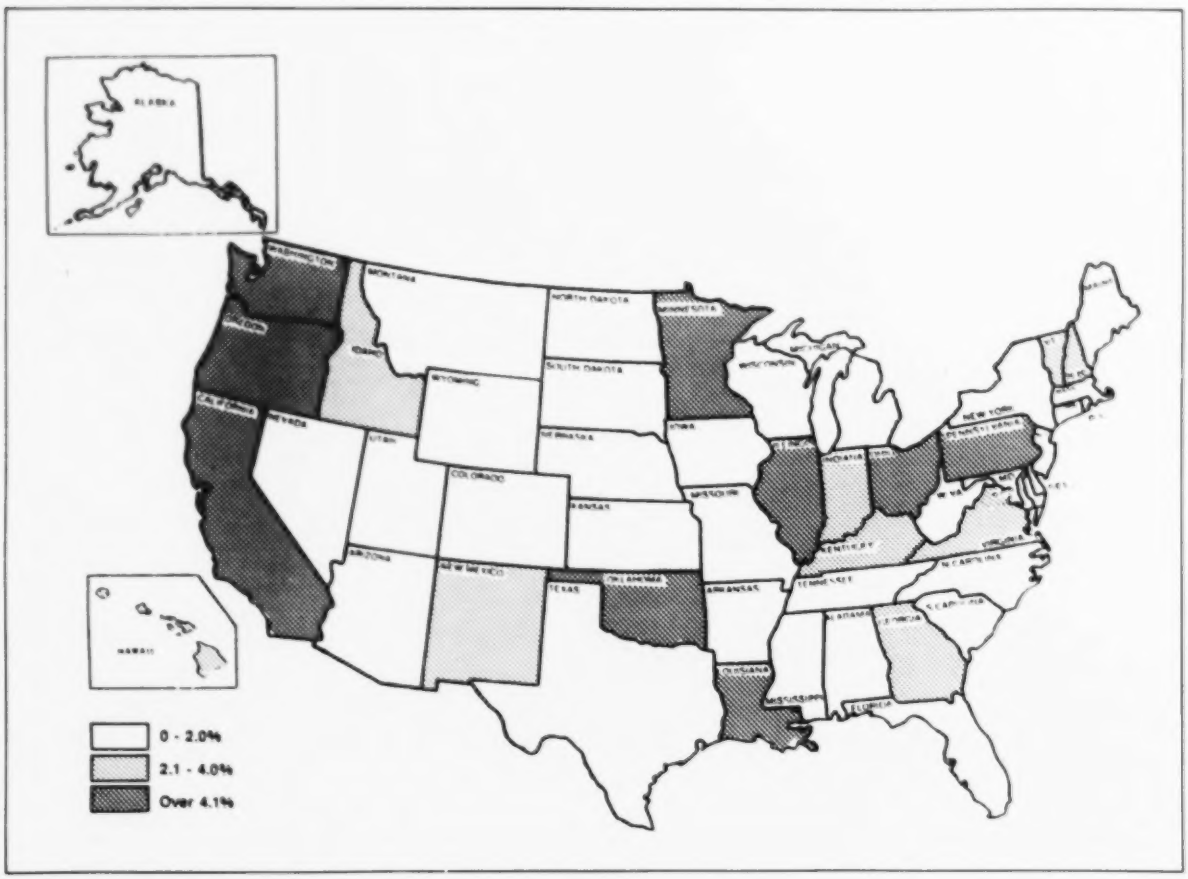
As previously mentioned, for this report, we are defining participation as the estimated total number of households receiving benefits during a fiscal year. We computed this estimate, nationwide and by state, by multiplying the state-reported fiscal year average number of households participating in the program by the Service's estimated rate of turnover in food stamp participation.

Table 2.2: Households Participating in the Food Stamp Program, by State, Fiscal Years 1983 Through 1985

State	Fiscal Year 1983	Fiscal Year 1984	Fiscal Year 1985	Percent Change Fiscal Years 1983 - 1985
U.S. TOTAL	13,660,770	13,213,431	12,756,187	-7
Alabama	383,628	375,194	361,053	-6
Alaska	14,529	12,650	12,366	-15
Arizona	131,266	128,080	118,511	-10
Arkansas	186,387	176,939	155,829	-16
California	1,088,274	1,000,236	958,089	-12
Colorado	122,486	116,646	110,187	-10
Connecticut	111,426	103,979	95,121	-15
Delaware	33,161	29,126	25,827	-22
District of Columbia	62,045	56,562	52,296	-16
Florida	531,452	454,775	415,364	-22
Georgia	373,138	357,713	340,579	-9
Guam	9,111	8,820	8,088	-11
Hawaii	66,969	65,734	64,610	-4
Idaho	41,106	37,476	35,494	-14
Illinois	739,321	750,878	748,628	1
Indiana	279,117	260,614	237,282	-15
Iowa	136,263	135,556	132,992	-2
Kansas	91,099	85,554	78,704	-14
Kentucky	335,014	345,921	333,038	-.6
Louisiana	332,632	345,402	366,829	10
Maine	88,837	83,118	80,607	-9
Maryland	219,259	208,777	200,013	-9
Massachusetts	286,338	258,945	244,863	-14
Michigan	754,154	768,010	710,042	-6
Minnesota	154,218	156,007	156,497	1
Mississippi	290,194	280,937	276,225	-5
Missouri	257,757	247,708	222,523	-14
Montana	34,478	36,265	37,382	8
Nebraska	57,545	57,531	59,059	3
Nevada	25,980	25,818	25,185	-3
New Hampshire	32,594	25,519	21,185	-35
New Jersey	347,669	322,850	296,437	-15
New Mexico	97,584	89,125	86,972	-11
New York	1,320,237	1,330,256	1,311,970	-.6
North Carolina	336,504	312,086	298,615	-11
North Dakota	19,422	18,877	19,855	2
Ohio	768,012	788,230	774,718	.9
Oklahoma	159,224	173,104	173,963	9
Oregon	187,582	168,827	163,948	-13
Pennsylvania	765,308	733,271	714,966	-7
Rhode Island	58,624	54,768	50,740	-13
South Carolina	252,518	233,978	220,726	-13
South Dakota	29,081	26,920	26,947	-7
Tennessee	385,894	348,920	324,541	-16
Texas	688,003	668,132	683,347	-.7
Utah	50,575	46,181	44,342	-12
Vermont	35,707	34,513	30,711	-14
Virginia	278,183	255,860	238,317	-14
Virgin Islands	14,668	15,140	13,772	-6
Washington	205,404	192,790	193,746	-6
West Virginia	157,912	162,488	161,749	2
Wisconsin	217,998	224,396	224,500	3
Wyoming	14,846	16,189	16,796	13

Source: Food and Nutrition Service, USDA.

Figure 2.4: Percentage of Food Stamp Program Cases Reported as Improperly Denied or Terminated, by State, Fiscal Year 1985



Source: Food and Nutrition Service, USDA.

PERCENTAGE OF FOOD STAMP CASES IMPROPERLY DENIED OR TERMINATED, NATIONWIDE AND BY STATE

In fiscal year 1985, the percentage of cases, nationwide, in which household benefits were improperly denied or terminated was about 3.1 percent, according to the results of states' quality control reviews. A majority of states (33) reported error rates of 2 percent or less (See fig. 2.4.).

From fiscal years 1980 through 1985, the percentage of cases involving households whose benefits were improperly denied or terminated, nationwide, declined from about 4 percent to about 3.1 percent (See table 2.3.). During that period, the percentage of households who had their food stamps improperly denied or terminated ranged on a state-by-state basis from 0 (Delaware in fiscal years 1982, 1984, and 1985 and Kansas in 1985) to over 11 percent (Washington in fiscal years 1984 and 1985 and the District of Columbia in 1981). As noted in section 1, the Service does not validate the accuracy of the state-reported improper denials or terminations unless a state may be eligible to receive enhanced funding to administer the program. We are currently evaluating the accuracy of states' improper denial and termination error rates as well as the procedures that states use to develop these error rates. We will be reporting the results of that work later this year.

Table 2.3: Percentage of Food Stamp Cases Reported as Improperly Denied or Terminated, Nationwide and by State, Fiscal Years 1980 Through 1985

State	Fiscal Year 1980[a]	Fiscal Year 1981[a]	Fiscal Year 1982[a]	Fiscal Year 1983	Fiscal Year 1984	Fiscal Year 1985
U.S. Total	4.0	3.7	3.7	2.9	3.0	3.1
Alabama	1.2	1.7	1.8	1.9	0.9	1.9
Alaska	5.6	3.4	2.5	3.6	2.9	1.3
Arizona	0.4	3.0	3.0	3.4	2.4	1.4
Arkansas	1.3	1.5	0.3	0.1	0.5	0.1
California	8.3	9.3	9.8	4.2	2.4	4.4
Colorado	1.8	2.6	1.2	1.5	1.1	1.1
Connecticut	2.1	1.2	1.3	0.2	0.5	0.5
Delaware	0.5	1.2	0.0	0.7	0.0	0.0
District of Columbia	2.5	11.9	1.3	1.4	3.9	1.1
Florida	1.3	2.3	1.4	0.9	1.9	1.5
Georgia	3.2	2.5	1.0	1.5	2.3	3.9
Guam	3.9	2.2	3.1	2.4	N/A	2.0
Hawaii	1.5	1.7	1.0	2.4	1.7	3.2
Idaho	7.7	3.1	2.1	1.9	1.9	2.1
Illinois	3.6	3.2	3.4	2.3	7.5	9.1
Indiana	3.8	2.1	2.3	2.5	1.6	2.8
Iowa	3.6	4.1	4.6	3.7	4.4	1.9
Kansas	1.6	2.5	1.9	3.7	2.0	0.0
Kentucky	1.0	1.6	1.4	1.4	5.2	3.0
Louisiana	2.1	4.0	3.5	1.5	2.1	5.6
Maine	0.5	0.4	1.3	1.8	1.8	0.6
Maryland	6.4	7.3	3.5	3.6	3.3	1.9
Massachusetts	2.5	1.7	1.0	1.3	0.5	1.0
Michigan	6.7	6.2	5.8	4.1	5.4	6.5
Minnesota	5.2	4.5	5.9	8.3	9.8	5.3
Mississippi	0.5	1.1	1.7	1.1	0.7	0.7
Missouri	2.6	1.7	1.1	1.2	0.7	0.6
Montana	7.0	3.1	2.4	3.1	1.6	1.8
Nebraska	5.4	3.5	4.0	0.3	3.1	1.8
Nevada	0.2	0.8	0.7	1.2	0.6	0.3
New Hampshire	1.8	3.8	4.2	1.0	0.8	2.7
New Jersey	1.0	1.1	1.2	1.3	0.5	0.8
New Mexico	2.3	2.0	1.9	1.4	2.4	3.1
New York	1.9	2.0	1.6	2.1	1.4	1.1
North Carolina	2.9	2.2	1.0	2.5	2.4	1.2
North Dakota	0.7	1.6	2.2	1.4	1.4	0.7
Ohio	4.7	2.0	4.6	5.0	6.4	7.0
Oklahoma	0.6	1.7	3.6	5.2	1.1	6.4
Oregon	9.8	4.4	4.6	4.1	4.2	4.7
Pennsylvania	2.1	5.6	4.2	2.5	4.2	4.5
Rhode Island	1.3	0.9	0.4	1.5	1.5	1.5
South Carolina	1.3	1.1	2.2	2.9	2.3	1.7
South Dakota	0.8	1.3	0.7	2.0	0.5	0.4
Tennessee	2.4	2.1	2.3	2.1	0.6	0.1
Texas	3.2	5.5	8.0	4.9	1.9	1.4
Utah	2.1	2.7	4.3	2.6	0.3	0.2
Vermont	2.5	2.8	0.8	2.4	3.5	2.7
Virgin Islands	3.9	3.6	3.8	4.1	4.3	6.3
Virginia	1.7	2.0	1.9	1.9	2.0	2.7
Washington	7.9	5.4	6.4	5.5	11.2	11.4
West Virginia	0.7	1.3	2.7	1.1	0.5	0.4
Wisconsin	1.9	1.8	1.9	2.1	1.6	0.8
Wyoming	1.3	1.7	1.0	2.5	1.2	0.5

[a]Prior to fiscal year 1983, the Service published separate error rates for the first and second half of each fiscal year. Error rates for these periods have been weighted and an average developed for the fiscal year.

N/A: Not available.
Source: Food and Nutrition Service, USDA.

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COMMENTS FROM THE DEPARTMENT OF AGRICULTURE

Note: GAO comments supplementing those in the report text appear at the end of this appendix.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

February 17, 1987

Mr. J. Dexter Peach
Director, Resources, Community
and Economic Development Division
General Accounting Office
Washington, D. C. 20546

Dear Mr. Peach:

This is in response to the General Accounting Office (GAO) proposed report entitled, Food Stamp Program: Trends in Program Applications, Participation, Denials, and Terminations.

Our primary concern with the proposed report is the presentation of numbers for households terminated from food stamp participation and the unduplicated number of households receiving benefits annually. Because these numbers are not reported directly by States to the Food and Nutrition Service, GAO used other information that is available to develop these numbers. In both instances, the numbers are from unverified, disparate data sources. Since the numbers are, at best, an approximation, they could misrepresent the actual trends in the subject areas.

At a minimum, wherever in the report the number of households terminated from Food Stamp Program participation is presented, it should be described as a GAO estimate. Similarly, the annual participation numbers should be presented as GAO estimates.

Other comments of a more technical nature have been shared with your staff orally. We believe that the proposed report generally presents an objective description of the subject material. Thank you for the opportunity to comment.

Sincerely,

JOHN W. BODE
Assistant Secretary for
Food and Consumer Services

GAO COMMENTS:

As the Department correctly points out, the numbers for households terminated and the unduplicated number of households receiving benefits annually are not directly reported by the states to the Service. Therefore, we attempted to estimate the number of terminations and total annual participation using the Service's best and most recent available data. Because of the limitations on these data, we were unable to develop meaningful estimates of food stamp terminations. However, we were able to estimate total annual program participation, and, as the Department suggests, our report identifies these numbers as GAO estimates. Our procedures for developing these estimates were coordinated with Service officials, and these officials agreed with the logic of our approach. Nevertheless, for the reasons cited by the Department, we acknowledge that these estimates should be interpreted cautiously in drawing conclusions about trends in food stamp participation. We describe our methodology for developing these estimates in section 1 of this report.

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